

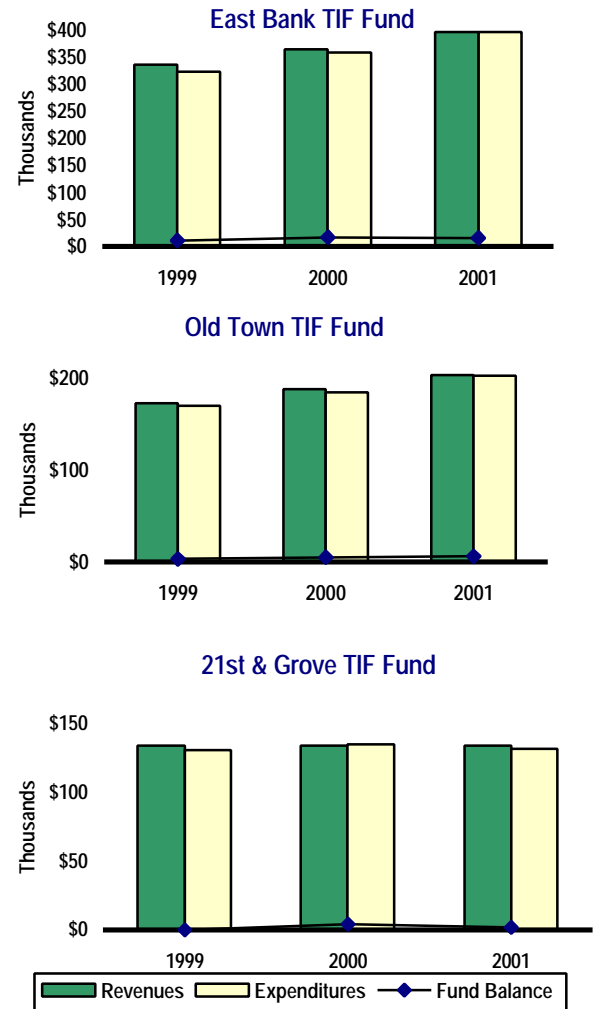
Economic Development TIFs

Overview. Kansas state law (KSA 12-1770) provides that costs related to the redevelopment of an area designated as "blighted" may be recovered through the use of Tax Increment Financing (TIF). This mechanism involves the dedication of the property tax revenue increase resulting from redevelopment (and assumed subsequent revaluation of affected properties at a higher level) toward repayment of the initial redevelopment cost. In short, the economic TIF is based on the concept of having the property valuation growth resulting from redevelopment in an area defray the cost of such redevelopment after the fact.

Finance and Operations. The economic TIFs comprise three separate redevelopment projects: East Bank, Old Town, and 21st & Grove. Each of these projects provides TIF funding to defray the costs of infrastructure redevelopment and/or enhancements within the districts.

These TIF funds are used to pay the debt service costs associated with bonds issued to pay the redevelopment costs in the districts. Redevelopment activities include improvements to sidewalks, streets, curbs/gutters, street lighting, and other public infrastructure improvements and public amenities. The improvements will help ensure that these areas will remain vital components of the City's overall economic growth strategy.

The Economic Development Division of the Finance Department administers the economic TIFs. The Division assists in forecasting available TIF revenue from the various districts as well as establishing the mechanism and schedule for repayment of debt incurred to pay the cost of redevelopment projects in the districts.



Economic Development TIF Funds Budget Summary					
	1998 Actual	1999 Adopted	1999 Revised	2000 Adopted	2001 Approved
East Bank TIF Fund:					
Revenues	0	334,760	337,760	363,780	395,320
Expenditures	0	283,350	323,350	358,350	395,810
East Bank TIF Fund Balance	0	51,410	11,410	16,840	16,350
Old Town TIF Fund:					
Revenues	0	192,440	172,550	187,510	203,770
Expenditures	0	192,440	170,000	185,000	202,500
Old Town TIF Fund Balance	0	0	2,550	5,060	6,330
21st & Grove TIF Fund:					
Revenues	0	134,020	134,020	134,020	134,020
Expenditures	0	130,490	130,490	135,090	132,390
21 st & Grove TIF Fund Balance	0	3,530	3,530	2,460	4,090